

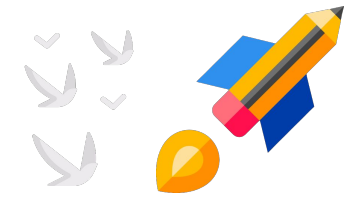


# ***UDESHEREGULAR***

## **FOR GROUP-1, MAY 2024**

- Subject- GST
- Chapter- ITC
- Lecture No.- 3

# Recap of Previous Lecture

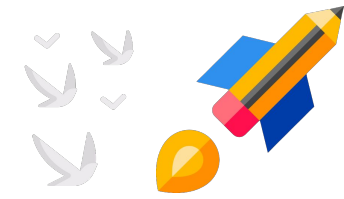


Topic

Input Tax Credit - 2

PHYSICS  
WALLAH

# Topics to be Covered



Topic

ITC - Part 3

PHYSICS  
WALLAH

S.17   
 (1) to (4) = Apportionment of Credit   
 (5) = Blocked credit (M.M.M.M. Imp)

Input → Business Use → ITC Avail. As per S.16

Input → Non-Business purpose → No ITC Avail. As per S.16

17(1)

Common Input  
Cloth 1000 mtr

V	100000	
Cost	12000	
	<u>1,12,000</u>	

Business Use = 700 mtr (70%) =  $12000 \times 70\%$   
= 8400 ⇒ ITC Available

Personal Use = 300 mtr (30%)  
=  $12000 \times 30\%$  i.e. 3600 ITC lapse

17(2)

Common Inputs

Value	20000
Cost	24000

→ Taxable Supply (60%)  
Incl. Zero rated Supply (20%) = ITC Available

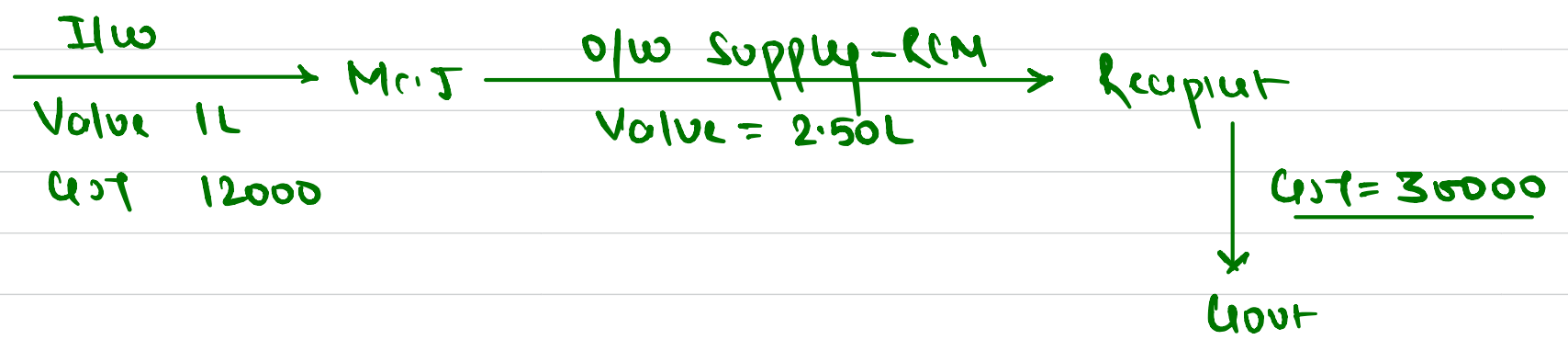
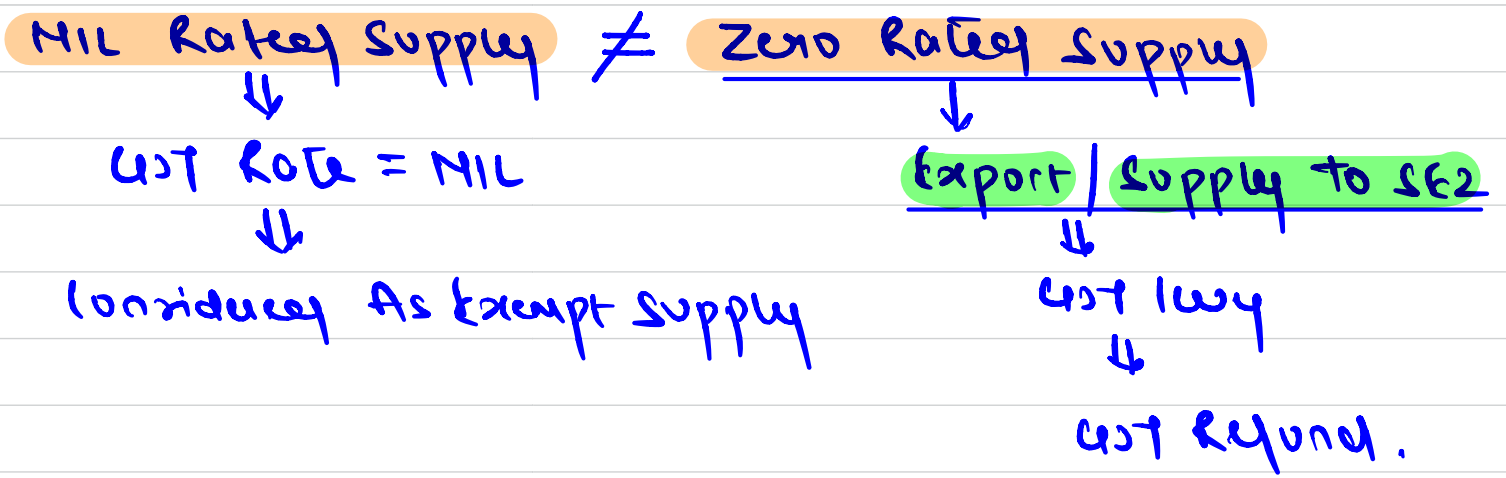
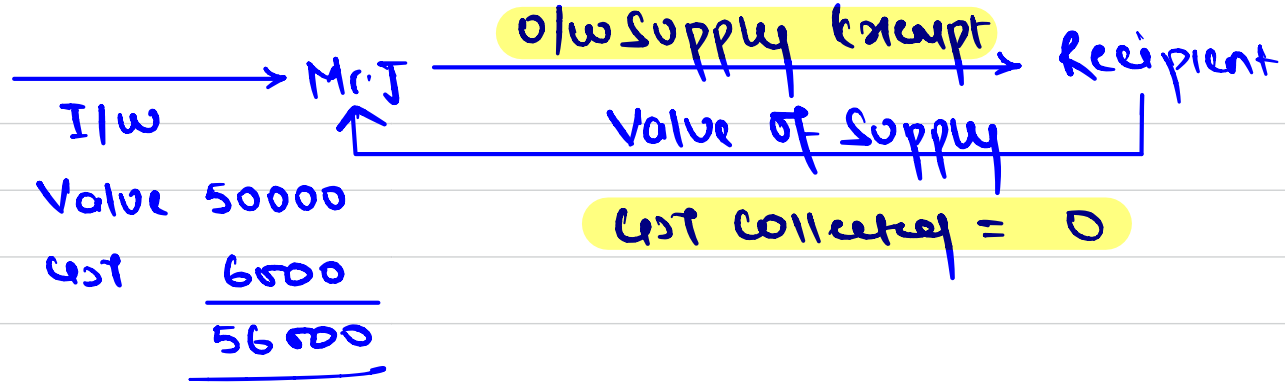
$24000 \times 80\%$		$24000 \times 80\%$
= 19200		= 19200

ITC Avail

→ Exempt Supply (20%) ⇒ No ITC

$24000 \times 20\%$		$24000 \times 20\%$
= 4800		= 4800 = NO ITC.





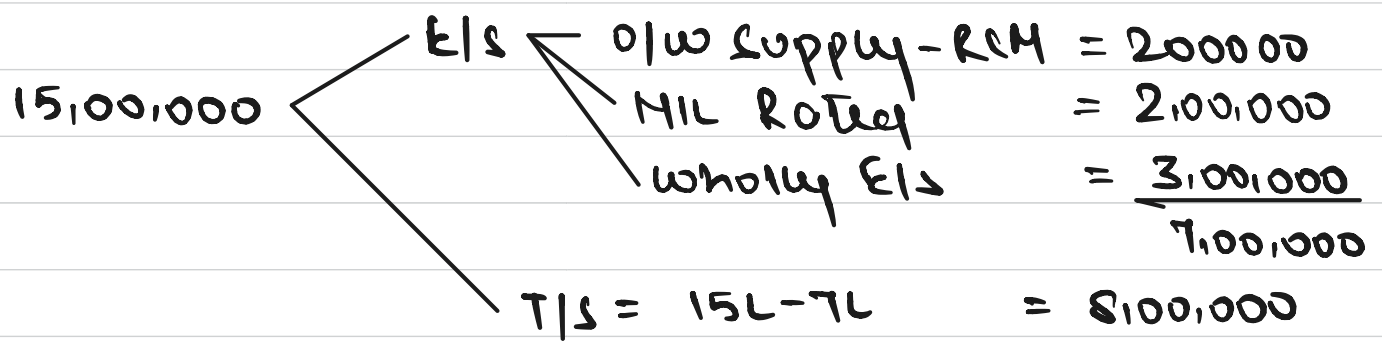
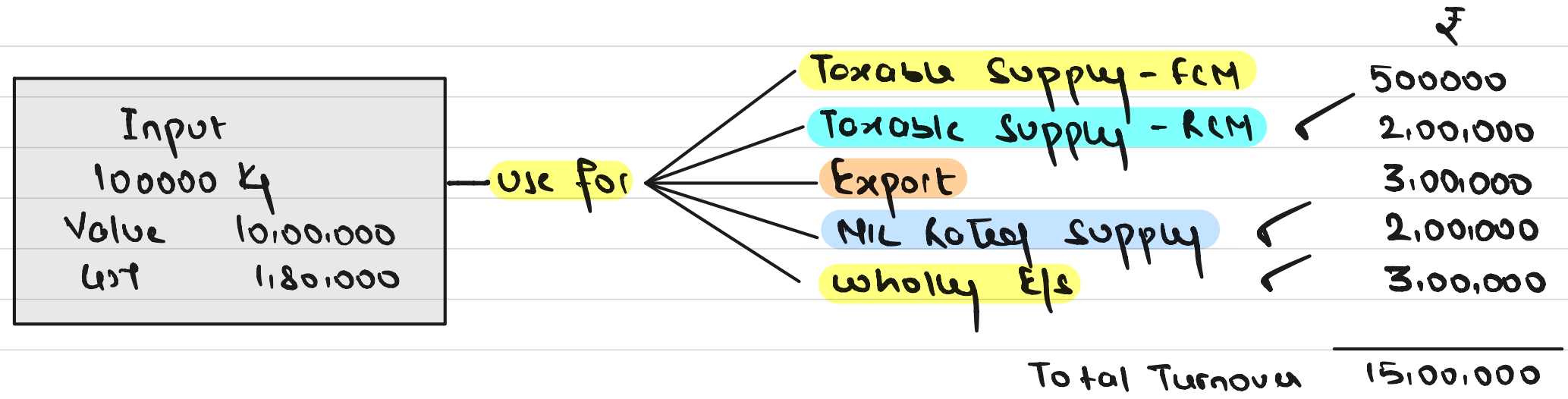
17(3) Meaning of E/s for s.17(2)

[Not Imp for exam]

E/s → Non T/s, Nil Rated Supply, wholly E/s

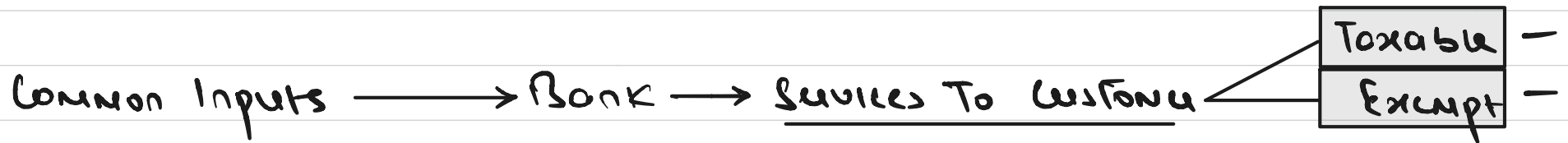
Also Include

- o/w supply covered under RCM
- Transaction in Securities.
- Sale of L/B → (covered under s.111)



$$\text{ITC Avail.} = 1,80,000 \times \frac{8L}{15L} = \underline{96,000}$$

**§.17(4)** Applicable for Banking Co./FI/NBFCs.



**Option 1** → Comply with prov. of §.17(2)

**Option 2** → **Common G/s ITC** —

- 50% = ITC Avail.
- 50% = ITC Input.

Note :- option 2 Avail

\* follow for whole financial year. i.e. Bank **can shift to option 1 in next fy.**

\* 50% ITC Restriction **Not applicable on I/w supply from Distinct Person** i.e. 100% ITC Available in that case.

XYZ Co.

**BoB Avail 17(4)**

ie 50% ITC

Server Maint. Service

Value = 400000

Cost = 48000

**BoB**  
(Karnataka)  
(UP-Req.)

Server Maint.

48000 x 50%

24000

Mgmt Consult.  
from ZO

12000

**BoB**  
(ZO Delhi)  
(Delhi-Req)

Management Consult.

Value 1,00,000

Cost 12,000

↓  
**No 50% Restriction**  
**Because it is a**  
**deemed supply**  
**As per S.I**

36000

**S.17(5) Blockage Credit**

\* Override S.16/18 ie **ITC Is Now allowed** even all condition for availing ITC As per S.16/18 are fulfilled.

# 1. Motor Vehicle/Vessel/Aircraft

Generally ITC is blocked

ITC Available  
In Notified cases

## Notified cases

- \* **MV** Seating capacity More than 13 person (Including driver)
- \* MV/Vessel/Aircraft Purchased for further supply (Dealer of MV/Vessel/Aircraft)
- \* MV/Vessel/Aircraft → Purchase → for providing passenger Transportation Service.
- \* MV → Driving school → Driving Training.  
Vessel → Navigator Training.  
Aircraft → Aircraft flying Training.
- \* MV/Vessel/Aircraft → for Transp. of goods.

Cost = 28%  
Cost Comp. (CS)  
50%

Reliance → Fortune → Director of Comp. (O ↔ R)  
↓  
50L → GST = 25L = NO ITC

Mini Bus ⇒ EEs Pick & drop.  
↳ seating cap = 12 Puzo incl. driver. } X.

---

\*\* Note Following shall NOT be considered As MV & Hence ITC is available

\* Train (Vehicle Run on fixed rail)

\* MV Eng. cubic capacity upto 25CC  
↳ 2/3 wheeler

\* Vehicles → Run within factory/enclosed premises.

\* Cycle Rick → Security Guard/ labour  
↳ Not a MV. → ITC Available

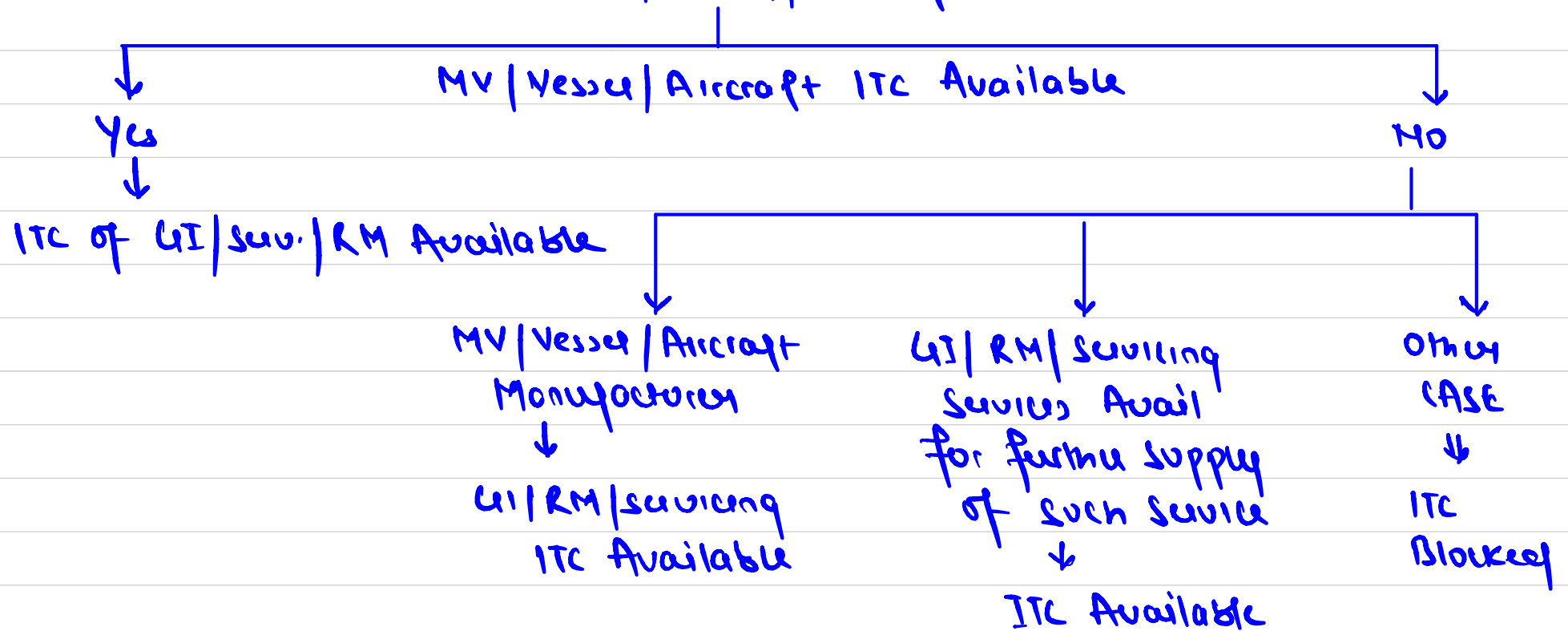
\* Truck/loader ⇒ for Goods Transportation = ITC Avail.

\* Vessel/Yacht ⇒ for CEO/Directors of Co. = NO ITC  
↳ School → Navigation Training = ITC Avail.

\* MV Puzo for further supply → } ITC Available  
\* Aircraft for passenger Transp. service → }

2

General Insurance / Repair & Maintenance / Servicing of  
MV / Vessel / Aircraft





## 2 mins Summary



Topic

*Summary of chapter*

Topic

PHYSICS  
WALLAH



# JOIN OUR OFFICIAL TELEGRAM CHANNEL

## CA WALLAH INTERMEDIATE

- ✓ Important Notifications & Updates
- ✓ Class Notes of YT Sessions
- ✓ Weekly Mentorship Live Sessions
- ✓ Important PDFs
- ✓ Polls & Quizzes



JOIN NOW



***Thank You***